

**FISCAL NOTE**  
**SB 1802 - HB 2094**

March 17, 2005

**SUMMARY OF BILL:** Requires the State Board of Education, in consultation with the Department of Education, to submit an annual report to the Governor and the General Assembly that outlines the funds and revenues generated from competitive food and beverage contracts in all public elementary and secondary schools. The report is to be published prior to February 15 of each year, beginning in 2006. Also requires local boards of education to develop an annual report of the accounts and records of its schools that receive funds and revenues from such contracts. The report shall include the specific source and amounts of funds or revenues received, the duration of the contract, and the financial incentives offered for increased sales. Requires the State Board of Education to develop a uniform reporting system and promulgate rules and regulations to enact this law.

**ESTIMATED FISCAL IMPACT:**

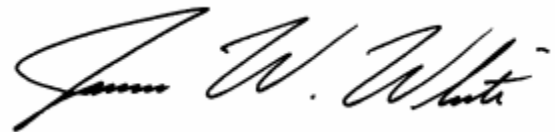
**Increase State Expenditures – Not Significant**  
**Increase Local Govt. Expenditures – Not Significant**

Assumptions:

- Requests for the submission of an annual report and promulgation of rules fall into the existing functional duties of the State Board. Any impact to the State Board is estimated to be not significant and can be handled within existing staff and resources.
- LEAs are currently required to submit to the Department of Education the amount of funds and revenues received from competitive food and beverage contracts for the Department's Annual Statistical Report.
- In some schools the principals oversee the contracts for vending machines on their campuses and would have all information on these contracts available for the local school boards.
- Assumes local boards of education could collect the required information with little effort. Therefore, any cost to local governments is estimated to be not significant and can be handled within existing resources.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director